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SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT



**ANNUAL
REPORT
FOR THE
PERIOD
ENDING
JUNE 30
1960**

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

628 Flood Building • San Francisco 2, California • Yukon 2-9838

Directors

Adrien J. Falk (President) • H. L. Cummings (Vice President)

Alameda County

*Arnold C. Anderson • Castro Valley
Clair W. MacLeod • Piedmont
George M. Silliman • Newark
Sherwood Swan • Oakland*

Contra Costa County

*H. L. Cummings (Vice President) • Crockett
Marvin A. Joseph • Richmond
Harry L. Morrison, Jr. • Concord*

Marin County

*M. J. Lamperti • San Rafael
T. J. De Lasaux • Mill Valley*

San Francisco County

*Allan E. Charles • San Francisco
Arthur J. Dolan, Jr. • San Francisco
Adrien J. Falk (President) • San Francisco
Thomas Gray • San Francisco*

San Mateo County

*A. J. Bertini • Daly City
Thomas F. Casey, Jr. • San Mateo
Joseph G. Hunter • Burlingame*

Staff

*John M. Peirce • General Manager
Keneth M. Hoover • Chief Engineer
A. M. Cohan • Secretary
B. R. Stokes • Director of Information
Kenneth D. Lawson • Economic Analyst
Richard J. Shepard • Administrative Assistant
John J. Goodwin • Treasurer
Harry D. Ross • Controller
Wallace L. Kaapcke • General Counsel*

Consultants

Engineering

*Parsons, Brinckerhoff, Quade and Douglas
Bechtel Corporation
Tudor Engineering Company*

Economic

Ebasco Services Incorporated

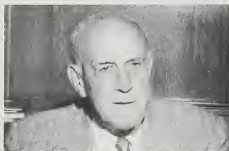
Financial

*Smith, Barney & Co.
Stone and Youngberg*

ADRIEN J. FALK
President



JOHN M. PEIRCE
General Manager



H. L. CUMMINGS
Vice President

REPORT OF THE PRESIDENT: The 12-month period covered by this report was one of intensive activity in which the District virtually completed all of the basic studies and investigations required in order to present a plan for a regional rapid transit system to the people of the Bay Area.

During this time, major engineering studies were accomplished and significant progress was made by our financial and economic consultants in developing the dollars and cents facts which will enable citizens of the Bay Area to make an intelligent decision concerning rapid transit.

It was the requirement for more time to develop all possible facts concerning rapid transit—and the desire to permit Bay Area citizens ample time in which to absorb those facts—which prompted the Board of Directors to postpone the scheduled voting date from November, 1960, until some later date.

Financing the necessarily large capital cost involved in creating an entirely new and regional mass transportation network of the scope and magnitude envisioned is the major problem facing the District in the 1960-61 fiscal year. The postponement of the scheduled voting date will provide additional time in which the District and its financial consultants can explore all possible means of reducing the capital investment required and of finding additional sources of revenue.

Great credit for the progress made during the 1959-60 fiscal year is due to the untiring work of our various consultants; to the Standing Committees of our Board of Directors, whose members have been most unselfish of their time in attendance at scores of committee meetings; to members of our Financial Advisory Board, whose counsel has been invaluable; to the many public officials in the Bay Area for their continued interest in this project and for their helpful suggestions and advice, and to the members of the Rapid Transit Liaison Committees, who have devoted much time to furthering our program.

Much work remains to be done before rapid transit can become a reality in the Bay Area, for this is a project of immense magnitude and complexity. We have accomplished much in the year just ended, and we must achieve a similar record in the year ahead by bringing our program to the point where it can be voted on by the people of the Bay Area.

I am confident we will achieve such a record.

A handwritten signature in dark ink, reading "Adrien J. Falk". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Adrien J. Falk
President



GENERAL MANAGER'S REPORT:

The 1959-60 fiscal year was a year of significant progress toward the eventual development of a regional rapid transit system for the Bay Area.

■ The District's major accomplishment was completion of an overall engineering plan for the proposed rapid transit system—one which can feasibly be financed by the five-county area. The plan was presented to the Board of Directors near the end of the fiscal year, climaxing fourteen months of intensive work by the District's engineering consultants, Parsons, Brinckerhoff, Quade and Douglas, of New York; and the Bechtel Corporation and Tudor Engineering Company, of San Francisco. After detailed study and modification by the Board of Directors, it was to be referred to county and city officials for their recommendations.

■ Also completed was a separate engineering plan for the underwater trans-Bay rapid transit tube which is to span the four-mile distance between San Francisco and Oakland as the key link in the overall transit system.

■ In cooperation with the County of San Mateo, the District completed a study under which hazardous grade crossings on the Peninsula would be eliminated, thus permitting the installation of rapid transit tracks at ground level instead of on aerial structures and providing financial savings for the District. This study was made by Wilsey, Ham and Blair, of Millbrae.

■ Virtually completed by the end of the year was another study of the feasibility of installing rapid transit facilities on the Golden Gate Bridge. Under a cooperative program developed with the Golden Gate Bridge and

Highway District, the study was undertaken by one of the world's eminent suspension bridge engineers, Dr. David B. Steinman, of New York. He reported that, subject to confirmation by wind tunnel tests, the project is both feasible and practicable.

■ Major progress also was made toward the development of an equitable plan for financing the system by the District's financial consultant, Smith, Barney and Co., of New York, and the financial advisor, Stone and Youngberg, of San Francisco.

■ Nearing completion as the fiscal year ended was a report concerning the economic effects on the Bay Area in the future of having—or **not** having—a regional rapid transit system. This report was being prepared by Ebasco Services, Inc., of New York and San Francisco.

■ Important advances also were recorded for the District's program in the field of State and Federal legislation.

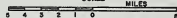
Early in the fiscal year Governor Edmund G. Brown signed into law Senate Bill 519 which commits surplus automobile tolls from the San Francisco-Oakland Bay Bridge to finance construction of the trans-Bay rapid transit tube. Enacted to take effect at the same time was a concurrent resolution calling on all agencies involved in the field of transportation to coordinate their activities with those of the District. The United States Congress later passed enabling legislation to permit the use of bridge tolls for the trans-Bay tube project, and the legislation was signed into law by President Eisenhower.

Near the end of the fiscal year, the United States Senate also passed and sent to the House of Represent-

SAN FRANCISCO BAY AREA
RAPID TRANSIT DISTRICT
GENERAL MAP

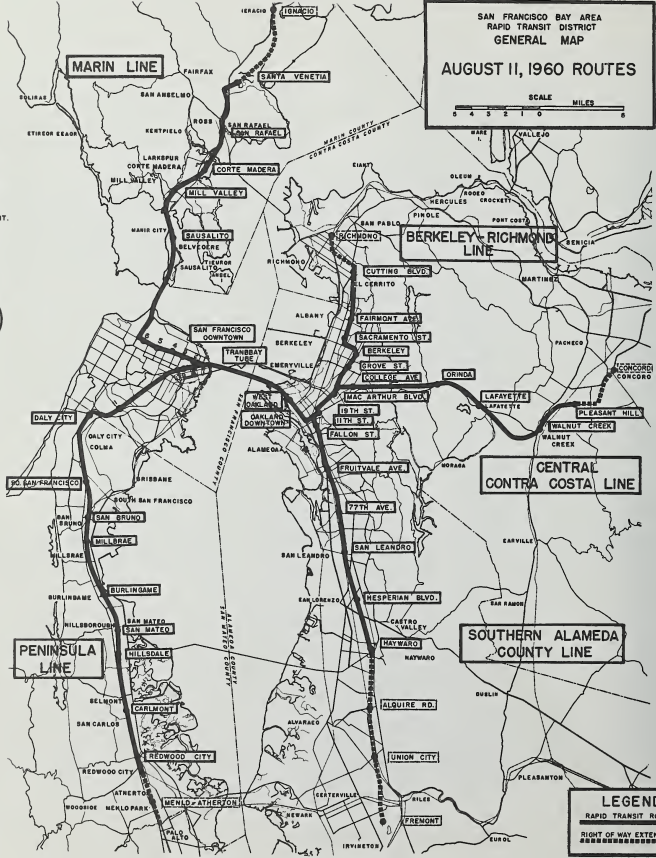
AUGUST 11, 1960 ROUTES

SCALE



SAN FRANCISCO
STATIONS

- 1 NEARBY ST.
- 2 UNION SQUARE
- 3 VAN NESS AVE.
- 4 TILMORE ST.
- 5 MARCONI AVE.
- 6 11TH AVE.
- 7 MONTGOMERY ST.
- 8 POWELL ST.
- 9 CIVIC CENTER
- 10 VAN NESS AVE.
- 11 OCEAN AVE.



LEGEND

RAPID TRANSIT ROUTES

RIGHT OF WAY EXTENSIONS

atives another measure which promises future aid for the District's overall program. The measure, Senate Bill 3278, would appropriate \$100 million for the nation's metropolitan areas to use in transit planning and improvements. It is regarded as an important first step by the Federal Government toward giving recognition to the growing problem of metropolitan traffic congestion.

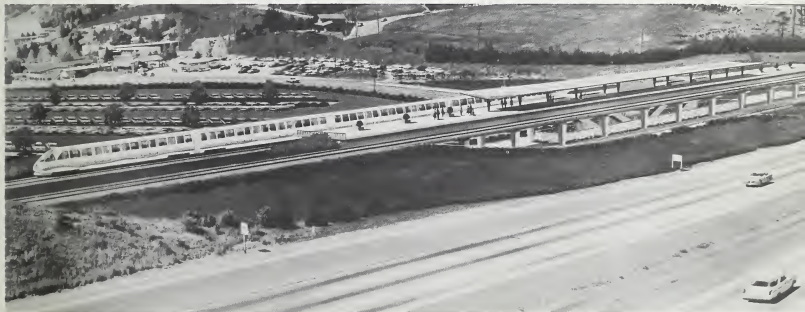
Under the schedule originally adopted by the District directors, it had been planned to seek approval by the electorate of a bond issue to finance construction of the system in November, 1960. However, various factors led the board to postpone this bond election until at least 1961. Chief factor was the desire to grant city and county officials, and the public generally, more time to review the transit plans. In addition, more time was needed to

complete certain engineering and financing studies.

The studies completed or initiated fulfill the requirements of Section 29151 of the Public Utilities Code, under which the District must employ engineering, financial and economic experts to conduct all studies necessary to the development of plans for a rapid transit system.

The overall engineering plan, as recommended by the engineering consultants, envisions a rapid transit system for the Bay Area that will be the most modern in the world. It will cost approximately \$926,000,000 to construct. Its electrically-powered trains will operate at 45-mile-an-hour average speeds — nearly twice that of any existing transit system — and at top speeds of up to 80 miles an hour.

Proposed Station: Orinda Crossroads



Radiating from the trans-Bay tube will be approximately 100 miles of routes on exclusive rights-of-way in subway, on aerial structures and grade-separated at ground level.

An outstanding feature of the system will be its automatic control system. The trains, their safety controls, and the fare-collecting devices will be governed by a central electronic "brain."

In designing the system to provide the maximum in efficiency, economy and public attractiveness, the District's engineers consulted with numerous technical authorities throughout the United States and Europe, including representatives of major aircraft manufacturers, railroad designers, electrical equipment producers and electronics firms.

The District also retained Donald C. Hyde, general manager of the Cleveland Transit System, to serve as a special consultant in the planning of future transit methods and operations.

The tube planning project necessitated a special seismic research program which was the first of its kind ever undertaken. Sensitive electronic devices were installed on the bottom of the Bay to measure earthquake vibrations. This seismic data was transmitted by underwater cable to recorders in downtown San Francisco for use in determining exact design specifications for any "earthquake-proof" tube.

Measurements will continue to be analyzed for at least two more years by the District's two consulting seismologists, Dr. George W. Housner and Professor F. J. Converse, both of the California Institute of Technology, who were retained to assist the engineering consultants.

The District made every effort during the past fiscal year to keep the general public informed of its activities and planning. Numerous conferences were held with city, county and state governmental officials to insure that all aspects of the transit program would conform with other regional planning activities.

A series of seventeen public meetings was held throughout the five counties during March and April to acquaint the general public with details of the forthcoming transit plan.

Other information activities included the continued publication of the District's monthly information bulletin and an intensive public speaking program.

Most important, of course, was the continued interest in the District's program of press, radio and television.

As the year ended, the District directors approved a budget of \$965,315 for the 1960-61 fiscal year. This constituted a reduction of more than half the previous year's budget, and was made possible by the virtual completion of major engineering plans for the rapid transit system. It made possible a corresponding reduction in the District's tax levy—from 3.9 cents per \$100 of assessed valuation in 1959-60 to approximately 1.7 cents in 1960-61.

This report is respectfully submitted to the Board of Directors pursuant to Section 28834(e) of the Public Utilities Code.



JOHN M. PEIRCE
General Manager

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors,
San Francisco Bay Area
Rapid Transit District:

We have examined the balance sheet of the San Francisco Bay Area Rapid Transit District at June 30, 1960 and the related statements of unappropriated surplus and of expenditures and encumbrances compared with budget for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the statements mentioned above present fairly the financial position of the San Francisco Bay Area Rapid Transit District at June 30, 1960 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Arthur Young & Company

San Francisco, California
August 5, 1960

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

BALANCE SHEET

June 30, 1960

ASSETS			
Cash:			
On deposit with Fiscal Agent	\$573,554		
Revolving fund	3,000		\$576,554
Taxes receivable:			
Alameda County	8,495		
Contra Costa County	14,412		
Marin County	2,390		
City and County of San Francisco	5,219		
San Mateo County	5,487		
Total	36,003		
Less allowance for uncollectible delinquent taxes	17,813		18,190
Office equipment—at cost			30,602
Total assets			<u>\$625,346</u>
LIABILITIES, RESERVES, AND SURPLUS			
Warrants payable			
			\$ 93,069
Reserve for encumbrances:			
Planning and engineering	\$272,892		
Financing	90,000		
Public information service	31,979		
Economic surveys and studies	18,102		
Other	14,558		427,531
Surplus:			
Unappropriated	74,144		
Invested in office equipment	30,602		104,746
Total liabilities, reserves, and surplus			<u>\$625,346</u>

NOTE: The District must pay into the General Fund of the State of California only from the proceeds of the first sale of bonds an amount of \$405,018, together with interest at 1½% a year, representing expenditures made by the San Francisco Bay Area Rapid Transit Commission (predecessor of the District) from certain appropriations of the State of California.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

STATEMENT OF UNAPPROPRIATED SURPLUS

Year ended June 30, 1960

Balance, July 1, 1959		\$ 244,497
Add:		
Reserve for encumbrances, July 1, 1959		82,222
Revenues for the year ended June 30, 1960:		
Taxes, penalties, and payments in lieu of taxes:		
Tax levy 1959-1960:		
Alameda County	\$ 500,302	
Contra Costa County	299,519	
Marin County	82,319	
City and County of San Francisco	484,699	
San Mateo County	281,676	
Total	1,648,515	
Less allowance for uncollectible delinquent taxes	17,813	
Balance	1,630,702	
Prior years' taxes, penalties, and payments in lieu of taxes	8,061	
Total	1,638,763	
Interest on time deposits	3,858	1,642,621
Total		1,969,340
Deduct:		
Expenditures:		
Expenditures applicable to year ended June 30, 1960	1,386,135	
Expenditures applicable to reserve for encumbrances at June 30, 1959	81,530	1,467,665
Reserve for encumbrances, June 30, 1960		427,531
Total		1,895,196
Unappropriated surplus, June 30, 1960		\$ 74,144

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

STATEMENT OF EXPENDITURES AND ENCUMBRANCES COMPARED WITH BUDGET

Year ended June 30, 1960

	<u>EXPENDITURES</u>	<u>ENCUMBRANCES</u>	<u>TOTAL</u>	<u>BUDGET*</u>	<u>BUDGET EXCESS</u>
Salaries	\$ 177,151	\$	\$ 177,151	\$ 183,463	\$ 6,312
Directors' fees	15,850		15,850	18,000	2,150
Rent	20,998		20,998	21,000	2
Office expense	27,783	666	28,449	32,845	4,396
Travel	9,411	360	9,771	10,655	884
Auto expense	3,389		3,389	4,600	1,211
<i>Professional services:</i>					
Legal	23,608	1,392	25,000	25,000	
Planning and engineering	1,035,108	272,892	1,308,000	1,308,000	
Financing	10,000	90,000	100,000	100,000	
Public information	2,258	31,979	34,237	34,370	133
Economic surveys and studies	31,898	18,102	50,000	50,000	
Audit and account services	800	11,500	12,300	12,300	
<i>Fixed charges:</i>					
Insurance	875		875	1,200	325
Interest				3,500	3,500
County fees	8,132		8,132	8,300	168
Employees' retirement plan	11,203	90	11,293	17,650	6,357
Capital outlay—office equipment	7,671	550	8,221	9,690	1,469
Total	<u>\$1,386,135</u>	<u>\$427,531</u>	<u>\$1,813,666</u>	<u>\$1,840,573</u>	<u>\$26,907</u>
*TOTAL BUDGET:	Expenditures, as above		\$1,840,573		
	Revolving fund		3,000		
	Total		<u>\$1,843,573</u>		



